Government of Saskatchewan

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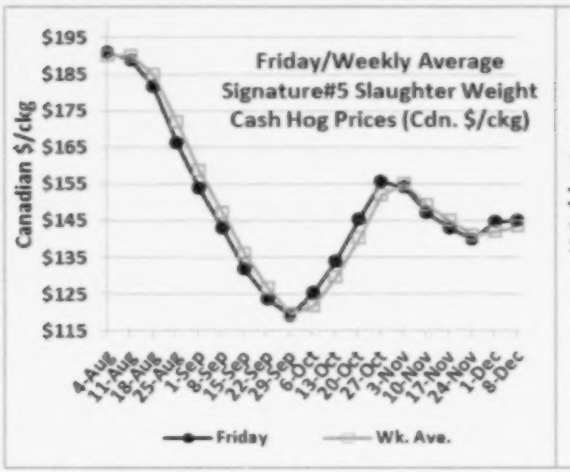
Weekly Hog Report

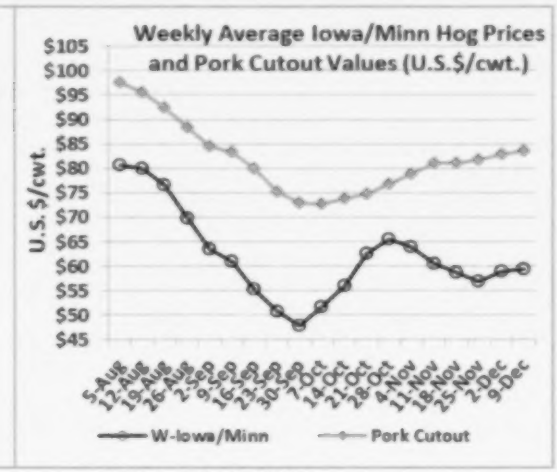
December 11, 2017

Cash Slaughter Weight Hog Prices

United States daily average slaughter weight cash hog prices (Iowa/Minn) were overall steady last week with prices mixed, week-over- week. Hog prices on Friday December 8 averaged US$59.30 per cwt, down slightly (US$0.10 per cwt) from US$59.40 per cwt the previous Friday. The negotiated weekly base price last week averaged US$59.25 per cwt, up US$0.46 per cwt or 0.8 per cent from US$58.79 per cwt the previous week.



Source: HAMS Marketing

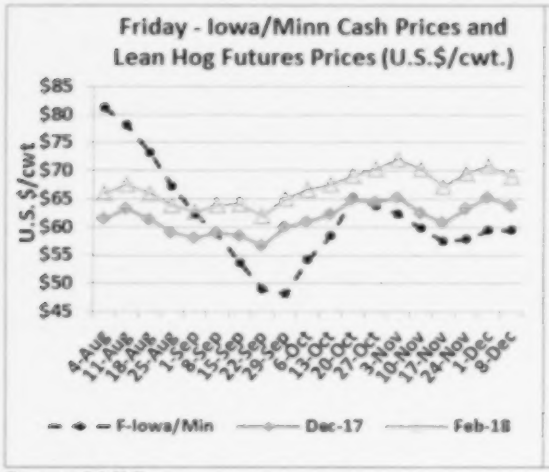


Source: LMIC, CME

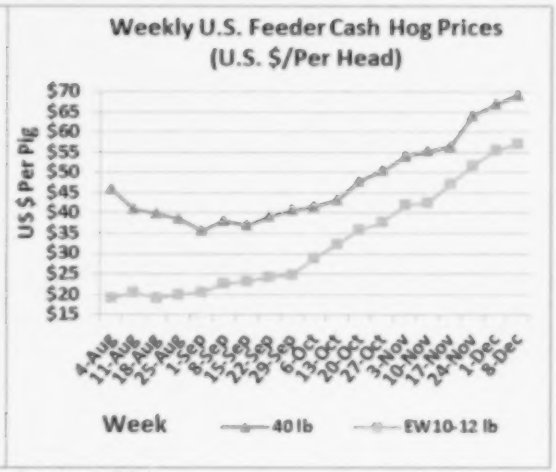
In Canada, the Signature#5 (Maple Leaf) Index 100 daily price for Friday December 8, 2017 was $144.83 per ckg, up $0.15 per ckg from $144.68 per ckg the previous Friday. Signature#5 weekly prices (Friday to Thursday) averaged $143.60 per ckg, up $1.66 per ckg or 1.2 per cent from the previous weeks' average price of $141.94 per ckg. The Canadian dollar compared to the U.S. dollar settled last Friday at 77.76 cents, down 0.80 cents from 78.56 cents the previous Friday.

Futures Markets

United States lean hog futures daily prices were mixed over the week but mostly lower to push prices down, week-over-week. The nearby December contract declined US$1.600 per cwt to settle last Friday at US$63.675 per cwt; while the February 2018 contract declined US$1.875 per cwt to settle last Friday at US$68.850 per cwt.



Source: LMIC



Source: USDA

Cash Feeder Hog Prices

North American (Iowa) iso-wean (10-12lb) cash hog prices and feeder (40lb) cash hog prices were steady-to-higher last week. Weighted average cash prices for iso-weans (12lb) last week were US$57.07 per head, up US$1.56 per head or 2.8 per cent from US$55.51 per head the previous week. Feeders (40lb) averaged US$68.84 per head, steady from US$68.83 per head, the previous week.

Iowa cash corn prices settled last Friday at US$3.08 per bushel, down a penny from US$3.09 per bushel the previous Friday. Daily corn futures were mixed last week with big losses on Monday to help push prices lower, weak-over-week. The December corn contract declined 4 ¾ cents to settle last Friday at US$3.40 per bushel. The March 2018 corn contract declined six cents to settle last Friday at US$3.52 ¾ per bushel.

Hogs Slaughtered

U.S. hogs slaughtered under federal inspection for the week ending December 8 were estimated at 2.537 million head, up slightly from 2.535 million head the previous week, and up 3.6 per cent from 2.448 million head the same week a year ago. Weekly U.S. hog slaughter numbers over the last eight weeks have averaged 2.452 million head, up slightly from 2.449 million head over the same period a year ago.

In Canada, federal and provincial hog slaughter numbers for the week ending Dec. 2, 2017 were estimated at 454,510 head, up slightly from 453,853 head the previous week, and up 4.7 per cent from 434,163 head the same week a year ago. Canadian hog slaughter numbers over the last eight weeks averaged 436,202 head, down 0.5 per cent from 438,218 head over the same period a year ago. Year-to-date, Canadian hog slaughter numbers totaled 20,001,796 head, up 1.3 per cent from the same period a year ago. (Source: AAFC/CFIA)

Meat Production

U.S. pork production for the week ending December 9, 2017 was estimated at 540.0 million lb., up 0.3 per cent from 538.5 million lb. the previous week, and up 4.2 per cent from 518.3 million lb. the same week a year ago. Pork production over the last eight week's ending December 2 was estimated to average 520.6 million lb., up 0.5 per cent from 517.7 million lb. over the same four week period a year ago.

U.S. beef production for the week ending December 9 was estimated at 526.1 million lb., down 2.1 per cent from 537.2 million lb. the previous week, but up 3.4 per cent from 508.6 million lb. the same week a year ago.

Combined production of U.S. beef, pork, chicken and turkey over the four weeks ending December 2, 2017, was estimated to average 2.112 billion lb., up 0.6 per cent from 2.100 billion lb. over the same four weeks a year ago. Year-to-date, total U.S. meat production for 2017 is estimated to be up 2.1 per cent compared to the same period in 2016.

United States Weekly Meat Production

(Dec. 2) Four Week Average - Million Lb.			Percent Change	
	2016	2017	4 Week	YTD 2017
Pork	512.0	513.5	0.3%	2.6%
Beef	507.3	515.6	1.6%	4.0%
Chicken	948.5	956.5	0.8%	1.3%
Turkey	131.7	126.0	-4.3%	0.1%
Total	**2,099.6**	**2,111.7**	**0.58%**	**2.15%**

Source: LMIC

Cutout Values

U.S. national pork cutout values for the week ending December 9, 2017 averaged US$83.67 per cwt, up US$0.67 per cwt or 0.8 per cent from US$83.00 per cwt the previous week; and up 11.4 per cent from US$75.08 per cwt from the same week a year ago.

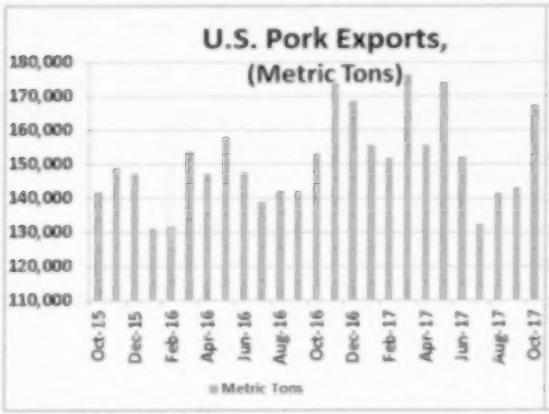
Choice beef cutout prices (600-900 lb.) for the week ending December 9, 2017 averaged US$206.87 per cwt over the week, down US$0.21 per cwt from US$207.08 per cwt the previous week, but up 9.0 per cent from US$189.85 per cwt the same week a year ago.

Average chicken cutout values (breast) for the week ending December 9, 2017 averaged US$101.80 per cwt, up US$1.31 per cwt or 1.3 per cent from US$100.49 per cwt the previous week, and up 4.1 per cent from US$97.81 per cwt the same week a year ago.

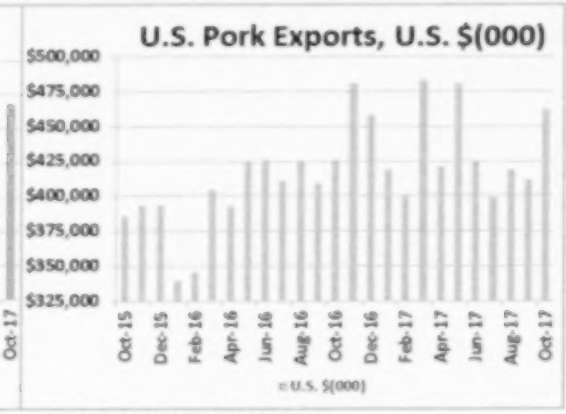
United States Pork Exports

United States pork exports in October 2017 moved noticeably higher from September. United States exported 167,323 metric tons of pork in October 2017, up 16.9 per cent from 143,139 metric tons in September 2017, and up 9.2 per cent from 153,051 metric tons in October 2016. U.S. pork exports by volume for October 2017 versus 2016 were higher to South America (+39%), South Korea (+26%), Mexico (+7%), and Japan (+5%).

By dollar amount, U.S. pork exports in October 2017 were US$462.1 million, up 12.2 per cent from US$411.9 million in September 2017, and up 8.6 per cent from US$425.6 million dollars in October 2016. Year-to-date, for the first ten months including October, U.S pork exports were $4.321 billion, up 8.0 per cent compared to the same period a year ago.



Source: USDA, USMEF



Source: USDA, USMEF

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